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PEOPLE'S CABLE, INC.

FEB 16 1993

February 15, 1993

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Federal Communications Commission
Lakeland, Florida 33813
Office of the Secretary
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Ms. Donna R. Searcy
Secretary
Federal Communications Commission
1919 M Street. N.W.
Room 222
Washington. D.C. 20554

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FCC MAIL ROOM

Re: Development of Competition and Diversity in Video
Programming Distribution and Carriage -- MM Docket No. 92-265

Dear Ms. Searcy:

I am writing on behalf of People's Cable to respond to proposals made in the initial round of this proceeding by cable television system operators and vertically-integrated programmers that would effectively gut Section 19 of the Cable Television Consumer Protection and Competition Act of 1992.

We operate both a small Cable System and a much bigger Wireless System in the Lakeland, Florida area, providing competition to large national cable operators. The ratio of our subscribers is 70/30 in favor of wireless.

We started the Cable System in 1988 and have been denied TNT and Sunshine, a regional sports network.

We indicated to Turner that we wanted to carry TNT, but were told that two other cable systems had exclusive rights. Interestingly, one system missed the TNT deadline but was given exclusivity even though we were ready willing and able to carry TNT.

Sunshine, on the other hand, kept requesting additional information after we provided that which was previously requested. We finally stopped calling when the questioning appeared to be directed towards us providing them the names, addresses and phone numbers of our subscribers. One of the Sunshine partners is our direct competitor.

Neither TNT or Sunshine services has been available to our wireless subscribers. The lack of TNT and Sunshine has cost us thousands of cable and wireless subscribers.

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In 1990, when we began trying to secure programming contracts for our wireless system, many of the programmers quoted higher rates. We explained that we were the same people, but it didn't matter. The programmers cited a number reasons including:

- a. Since we had a less costly way to deliver programming, the local cable operator was disadvantaged, and the programmer should charge us a higher price.
- b. Lack of credit history (but we were the same people with whom they were dealing).
- c. Cable rates were too low and would be raised up to meet wireless rates as they were renewed, but in the meantime, wireless had to pay higher rates.
- d. Because of a larger subscriber base, cable deserved lower rates. When confronted with the fact that 70% of our subscribers are now wireless, they simple avoided discussion of why our cable and wireless rates should not be the same.

The difference between our cable and wireless contracts are interesting as well. Because they know that they are guilty of discrimination, a number of programmers have included confidentiality clauses which preclude us from citing some of those specific differences.

Interestingly, at least one programmer includes limitations on who we can sue because of their concern over their discrimination practices.

At least one programmer with whom we had dealt satisfactorily for years in cable, requested a substantial letter of credit, which required us to post a CD with our bank which issued the LOC. If we were to call today to ask for a cable contract on a new cable system, it would be sent over night with no LOC requirement, no questions asked.

One programmer charged us an 800% differential on additional outlets. The differential has been reduced to 200%!

One programmer verbally offered us a deal for our cable subscribers, but when we tried to extend it to our wireless subscribers, the deal was with drawn.

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In conclusion as it pertains to programming, believe me, even as the same people in the same market, we are treated very differently by some programmers because of the two delivery systems (cable and wireless).

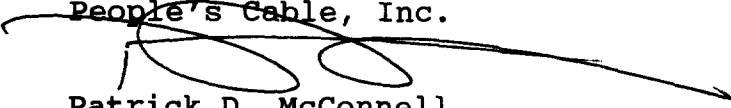
As a side note, since we have provided wireless, one operator has done a fiber rebuild (when they couldn't find a nickel for maintenance before we showed up).

We believe that more money has been spent by our competitors in customer service and that rate increases have been slowed since our entrance into the market. We believe that the cable consumer in our market is better served by our existence.

Unfortunately, we believe that our competitors have also acted unfairly by providing offers to our cable and wireless subscribers which are very different than those available to the public as a whole. These anti-competitive actions continue despite the passage of the Cable Act which specifically prohibits differences in offers.

Thank you for your consideration of these views.

Respectfully submitted,
People's Cable, Inc.



Patrick D. McConnell
President

CC: Hon. James H. Quello (Room 802)
Hon. Andrew C. Barrett (Room 844)
Hon. Ervin S. Duggan (Room 832)
Roy J. Stewart (Room 314)
William H. Johnson (Room 314)

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